



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
Washington, D.C. 20224

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SEP 22 2005

U.S. BANKRUPTCY COURT  
SOUTHERN DISTRICT, ILLINOIS

July 27, 2005

SMALL BUSINESS/SELF-EMPLOYED DIVISION

STAKEHOLDER NAME AND ADDRESS

RE: Insolvency Centralization – Illinois, Indiana & Wisconsin

As part of its modernization initiative, the Internal Revenue Service is conducting an ongoing analysis of our organizational structure to ensure maximum operational efficiency, enhance compliance, and protect taxpayer rights. One function that has been under study is our Insolvency operation. It has played an integral role in leading the modernization effort through a number of automation enhancements and by creating an environment that focuses on improving customer service and promoting compliance with the tax laws.

During the bankruptcy process, the Insolvency operation is responsible that timely and appropriate actions are taken to protect the government's interest and at the same time, ensuring that taxpayers' rights are protected. This work was traditionally performed in more than 70 offices around the country.

The Insolvency redesign effort involved consolidating the clerical and paraprofessional work to one centralized site - the Philadelphia campus. The professional staff, consisting of advisors and specialists, will remain in their current locations and we expect them to continue to be a significant presence in their respective bankruptcy jurisdictions. Under the new design, the existing Insolvency offices are referred to as Insolvency field offices and Insolvency work performed at the Philadelphia campus is referred to as the Centralized Insolvency Operation (CIO) or the campus.

Insolvency field employees will focus their efforts on compliance issues on Chapter 9, 11 and 12 cases as well as pre-confirmation Chapter 13 cases and complex Chapter 7 cases. They will continue to review plans and schedules, conduct plan negotiations, prepare claims, testify as expert witnesses, attend 341 hearings, conduct outreach and remain as your local contact as applicable to the cases they are working.

**Effective August 8, 2005, Chapter 7 No Asset cases and post-confirmation Chapter 13 cases for the states of Illinois, Indiana and Wisconsin will be assigned to CIO employees at the Philadelphia campus. The Insolvency campus employees will be responsible for taking all actions on cases that are assigned to them. This will include handling incoming phone calls and processing Insolvency mail directed to the campus.**

A toll free call center has been established for Insolvency related calls. Telephone calls pertaining to the cases listed above should be directed to our toll free number, 1-800-913-9358. The fax number for the Centralized Insolvency Operation is 215-516-2015. The campus staff will consist of day and swing shifts to enable customers to speak with assisters during working hours in all time zones.

There will be two mailing addresses for cases assigned to the campus.

- All payments for Chapter 7, Chapter 9, Chapter 12 and Chapter 13 cases should be sent to P.O. Box 21125, Philadelphia, PA 19114.
- All other correspondence pertaining to the cases listed above should be sent to P.O. Box 21126, Philadelphia, PA 19114.
- Payments for Chapter 11 cases will continue to be sent to the local field offices.
- Insolvency will notify the Clerk of the Court to change our official address on their matrix.

The transfer of work to the Philadelphia campus began in September 2004 and will continue in phases until September 2005. **Again, these procedures are applicable to the states mentioned above and other locations should continue to follow existing procedures until notified of changes for their location.**

Eventually, the campus will be responsible for initial processing of all new bankruptcy cases and closing actions on cases that are discharged or dismissed. As these changes are implemented, employees in local offices and the campus will work together to ensure the current levels of customer service are maintained.

If you have any questions or concerns, please contact Joe Magana at 312-566-2801.

Sincerely,

*/s/ Thomas D. Mathews*

Thomas D. Mathews  
Director, Advisory, Insolvency & Quality